

UNITED STATES INTERNATIONAL TRADE COMMISSION

GLYCINE FROM CHINA
Investigation No. 731-TA-718 (Review)

DETERMINATION AND VIEWS OF THE COMMISSION
(USITC Publication No. 3315, June 2000)

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GLYCINE FROM CHINA

DETERMINATION

On the basis of the record¹ developed in the subject five-year review, the United States International Trade Commission determines, pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. § 1675(c)), that revocation of the antidumping duty order on glycine from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

BACKGROUND

The Commission instituted this review on February 3, 2000 (65 F.R. 5371, February 3, 2000) and determined on May 5, 2000 that it would conduct an expedited review (65 F.R. 31145, May 16, 2000). The Commission transmitted its determination in this review to the Secretary of Commerce on June 30, 2000. The views of the Commission are contained in USITC Publication 3315 (June 2000), entitled *Glycine From China: Investigation No. 731-TA-718 (Review)*.

¹ The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 C.F.R. § 207.2(f)).

VIEWS OF THE COMMISSION

Based on the record in this five-year review, we determine under section 751(c) of the Tariff Act of 1930, as amended (“the Act”), that revocation of the antidumping duty order covering imports of glycine from China would be likely to lead to continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time.

I. BACKGROUND

In March 1995, the Commission determined that an industry in the United States was threatened with material injury by reason of imports of glycine from China that the Department of Commerce (“Commerce”) had determined to be sold in the United States at less than fair value.¹ On March 29, 1995, Commerce issued an antidumping duty order on glycine from China.²

On February 3, 2000, the Commission instituted a review pursuant to section 751(c) of the Act to determine whether revocation of the antidumping duty order on glycine from China would be likely to lead to continuation or recurrence of material injury.³

In five-year reviews, the Commission initially determines whether to conduct a full review (which would include a public hearing, the issuance of questionnaires, and other procedures) or an expedited review, as follows. First, the Commission determines whether individual responses of interested parties to the notice of institution are adequate. Second, based on those responses deemed individually adequate, the Commission determines whether the collective responses submitted by two groups of interested parties – domestic interested parties (producers, unions, trade associations, or worker groups) and respondent interested parties (importers, exporters, foreign producers, trade associations, or subject country governments) – demonstrate a sufficient willingness among each group to participate and provide information requested in a full review.⁴ If the Commission finds the responses from either group of interested parties to be inadequate, the Commission may determine, pursuant to section 751(c)(3)(B) of the Act, to conduct an expedited review unless it finds that other circumstances warrant a full review.

The only response to the Notice of Institution in this review was filed jointly by Hampshire Chemical Corp. (“Hampshire”), and Chattem Chemical, Inc. (“Chattem”). Hampshire and Chattem (collectively “the domestic producers”) are domestic producers of glycine that were the petitioners in the original Commission investigation. No respondent interested party filed a response.

On May 5, 2000, the Commission determined that the individual and group domestic interested party responses to its notice of institution were adequate and the respondent interested party group

¹ Glycine from China, Inv. No. 731-TA-718 (Final), USITC Pub. 2863 (March 1995) (“Original Determination”).

² 60 Fed. Reg. 16116 (March 29, 1995).

³ 65 Fed. Reg. 5371 (Feb. 3, 2000).

⁴ See 19 C.F.R. § 207.62(a); 63 Fed. Reg. 30599, 30602-05 (June 5, 1998).

response was inadequate.⁵ Pursuant to section 751(c)(3)(B) of the Act,⁶ the Commission voted to expedite its review of this matter.^{7 8}

II. DOMESTIC LIKE PRODUCT AND INDUSTRY

A. Domestic Like Product

In making its determination under section 751(c), the Commission defines the “domestic like product” and the “domestic industry.”⁹ The Act defines “domestic like product” as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.”¹⁰ In a section 751(c) review, the Commission must also take into account “its prior injury determination.”¹¹

In its final five-year review determination, Commerce defined the subject merchandise as:

glycine, which is a free-flowing crystalline material, like salt or sugar. Glycine is produced at various levels of purity and is used as a sweetener/taste enhancer, a buffering agent, reabsorbable amino acid, chemical intermediate, and a metal complexing agent. . . . The scope of this order includes glycine of all purity levels. In a separate scope ruling, the Department determined that D(-)Phenylglycine Ethyl Dane Salt is outside the scope of the order.¹²

In the original investigation, the Commission determined that all glycine constituted a single like product.¹³ There is no new information obtained during this five-year review that would suggest a reason for revisiting the Commission’s original like product determination.¹⁴ We consequently continue to define the domestic like product as all glycine, coextensively with Commerce’s scope.

⁵ See Glycine from China, Inv. No. 731-TA-718 (Review), Explanation of Commission Determination on Adequacy (May 2000).

⁶ 19 U.S.C. § 1675(c)(3)(B).

⁷ 65 Fed. Reg. 31145 (May 16, 2000).

⁸ Portions of the Domestic Producers’ Comments filed on June 7, 2000 contained new factual information in contravention of Commission rule 207.62(d), 19 C.F.R. § 207.62(d). Pursuant to that regulation, we have disregarded the new information.

⁹ 19 U.S.C. § 1677(4)(A).

¹⁰ 19 U.S.C. § 1677(10). See Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Timken Co. v. United States, 913 F. Supp. 580, 584 (CIT 1996); Torrington Co. v. United States, 747 F. Supp. 744, 748-49 (CIT 1990), *aff’d*, 938 F.2d 1278 (Fed. Cir. 1991). See also S. Rep. No. 96-249 at 90-91 (1979).

¹¹ 19 U.S.C. §1675(a)(1)(a).

¹² 65 Fed. Reg. 36405, 36406 (June 8, 2000) (footnote omitted).

¹³ Original Determination, USITC Pub. 2863 at I-6.

¹⁴ Confidential Report (“CR”) at I-5-8, Public Report (“PR”) at I-4-6.

B. Domestic Industry

Section 771(4)(A) of the Act defines the relevant industry as the “domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product.”¹⁵ Given our definition of the domestic like product, we define the domestic industry as all domestic producers of glycine. Hampshire and Chatterm were the only domestic producers of glycine at the time of the original investigation.¹⁶ They remain so today.¹⁷

III. REVOCATION OF THE ANTIDUMPING DUTY ORDER ON GLYCINE FROM CHINA WOULD LIKELY LEAD TO CONTINUATION OR RECURRENCE OF MATERIAL INJURY WITHIN A REASONABLY FORESEEABLE TIME

A. Legal Standard

In a five-year review conducted under section 751(c) of the Act, Commerce will revoke an antidumping duty order unless: (1) it makes a determination that subsidization and/or dumping is likely to continue or recur, and (2) the Commission makes a determination that revocation of an order “would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time.”¹⁸ The Uruguay Round Agreements Act Statement of Administrative Action (SAA) states that “under the likelihood standard, the Commission will engage in a counter-factual analysis; it must decide the likely impact in the reasonably foreseeable future of an important change in the status quo – the revocation [of the order] . . . and the elimination of its restraining effects on volumes and prices of imports.”¹⁹ Thus, the likelihood standard is prospective in nature.²⁰ The statute provides that “the Commission shall consider that the effects of revocation . . . may not be imminent, but may manifest themselves only over a longer period of time.”²¹ According to the SAA, a “‘reasonably foreseeable time’ will vary from case-to-case,

¹⁵ 19 U.S.C. § 1677(4)(A).

¹⁶ Original Determination, USITC Pub. 2863 at I-6.

¹⁷ Domestic Producers’ Response to Notice of Institution at 9. Additionally, neither Hampshire nor Chatterm currently imports subject merchandise. Nor is either firm related to any exporter or importer of subject merchandise. CR at I-9, PR at I-7. Hence, there are no related party issues in this review.

¹⁸ 19 U.S.C. § 1675a(a).

¹⁹ SAA, H.R. Rep. No. 103-316, vol. I, at 883-84 (1994). The SAA states that “[t]he likelihood of injury standard applies regardless of the nature of the Commission’s original determination (material injury, threat of material injury, or material retardation of an industry).” SAA at 883.

²⁰ While the SAA states that “a separate determination regarding current material injury is not necessary,” it indicates that “the Commission may consider relevant factors such as current and likely continued depressed shipment levels and current and likely continued [sic] prices for the domestic like product in the U.S. market in making its determination of the likelihood of continuation or recurrence of material injury if the order is revoked.” SAA at 884.

²¹ 19 U.S.C. § 1675a(a)(5).

but normally will exceed the ‘imminent’ time frame applicable in a threat of injury analysis [in antidumping duty investigations].”^{22 23}

Although the standard in five-year reviews is not the same as the standard applied in original antidumping duty investigations, it contains some of the same fundamental elements. The statute provides that the Commission is to “consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked.”²⁴ It directs the Commission to take into account its prior injury determination, whether any improvement in the state of the industry is related to the order under review, and whether the industry is vulnerable to material injury if the order is revoked.^{25 26}

Section 751(c)(3) of the Act and the Commission’s regulations provide that in an expedited five-year review the Commission may issue a final determination “based on the facts available, in accordance with section 776.”²⁷ We note that the statute authorizes the Commission to take adverse inferences in five-year reviews, but emphasize that such authorization does not relieve the Commission of its obligation to consider the record evidence as a whole in making its determination. We generally give credence to

²² SAA at 887. Among the factors that the Commission should consider in this regard are “the fungibility or differentiation within the product in question, the level of substitutability between the imported and domestic products, the channels of distribution used, the methods of contracting (such as spot sales or long-term contracts), and lead times for delivery of goods, as well as other factors that may only manifest themselves in the longer term, such as planned investment and the shifting of production facilities.” *Id.*

²³ In analyzing what constitutes a reasonably foreseeable time, Chairman Koplan examines all the current and likely conditions of competition in the relevant industry. He defines “reasonably foreseeable time” as the length of time it is likely to take for the market to adjust to a revocation. In making this assessment, he considers all factors that may accelerate or delay the market adjustment process including any lags in response by foreign producers, importers, consumers, domestic producers, or others due to: lead times; methods of contracting; the need to establish channels of distribution; product differentiation; and any other factors that may only manifest themselves in the longer term. In other words, this analysis seeks to define “reasonably foreseeable time” by reference to current and likely conditions of competition, but also seeks to avoid unwarranted speculation that may occur in predicting events into the more distant future.

²⁴ 19 U.S.C. § 1675a(a)(1).

²⁵ 19 U.S.C. § 1675a(a)(1). The statute further provides that the presence or absence of any factor that the Commission is required to consider shall not necessarily give decisive guidance with respect to the Commission’s determination. 19 U.S.C. § 1675a(a)(5). While the Commission must consider all factors, no one factor is necessarily dispositive. SAA at 886.

²⁶ Section 752(a)(1)(D) of the Act directs the Commission to take into account in five-year reviews involving antidumping proceedings “the findings of the administrative authority regarding duty absorption.” 19 U.S.C. § 1675a(a)(1)(D). Commerce has not issued any duty absorption findings in connection with the order under review.

²⁷ 19 U.S.C. § 1675(c)(3)(B); 19 C.F.R. § 207.62(e). Section 776 of the Act, in turn, authorizes the Commission to “use the facts otherwise available” in reaching a determination when: (1) necessary information is not available on the record or (2) an interested party or any other person withholds information requested by the agency, fails to provide such information in the time or in the form or manner requested, significantly impedes a proceeding, or provides information that cannot be verified pursuant to section 782(i) of the Act. 19 U.S.C. § 1677e(a). The statute permits the Commission to use adverse inferences in selecting from among the facts otherwise available when an interested party has failed to cooperate by acting to the best of its ability to comply with a request for information. 19 U.S.C. § 1677e(b). Such adverse inferences may include selecting from information from the record of our original determination and any other information placed on the record. *Id.*

the facts supplied by the participating parties and certified by them as true, but base our decision on the evidence as a whole, and do not automatically accept the participating parties' suggested interpretation of the record evidence. Regardless of the level of participation and the interpretations urged by participating parties, the Commission is obligated to consider all evidence relating to each of the statutory factors and may not draw adverse inferences that render such analysis superfluous. "In general, the Commission makes determinations by weighing all of the available evidence regarding a multiplicity of factors relating to the domestic industry as a whole and by drawing reasonable inferences from the evidence it finds most persuasive."²⁸ As noted above, no respondent interested party responded to the Commission's notice of institution. Accordingly, we have relied on the facts available in this review, which consist primarily of the record in the Commission's original investigation, the limited information collected by the Commission since the institution of this review, and the information submitted by the domestic producers.

For the reasons stated below, we determine that revocation of the antidumping duty order on glycine from China would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.

B. Conditions of Competition

In evaluating the likely impact of the subject imports on the domestic industry, the statute directs the Commission to consider all relevant economic factors "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."²⁹

As in the original investigation, the record in this review indicates that the market for glycine is characterized by several conditions of competition. First, glycine is typically used as an intermediate product by manufacturers in the production of downstream products, such as pharmaceuticals and food products, pet food, and antiperspirants. Demand for glycine is derived from demand for the finished products. Because of the lack of substitute products for glycine and because glycine generally accounts for a small proportion of the total costs of the products in which it is used, changes in the price of glycine are unlikely to affect the quantity demanded. In many of the industries that use glycine, a relatively small number of customers are responsible for a large portion of glycine consumption. Because the customers can be under intense competition to reduce their input costs, individual customers have significant incentive to demand, and ability to obtain, price concessions from producers.³⁰

The record indicates that apparent U.S. consumption of glycine was higher in 1999 than during the period examined in the original investigation.³¹ Inasmuch as the end uses for glycine have not changed since the time of the original investigation,³² the increase in consumption appears to be a function of increased demand for the finished products in which glycine is used.

Although, as in the original investigation, the predominant share of U.S. consumption is supplied by the domestic producers of glycine, imports from nonsubject countries currently supply a substantial

²⁸ SAA at 869.

²⁹ 19 U.S.C. § 1675a(a)(4).

³⁰ Original Determination, USITC Pub. 2863 at I-6-7; *see* Domestic Producers' Response to Notice of Institution at 3.

³¹ Apparent U.S. consumption of glycine was *** pounds in 1999, in contrast to *** pounds in 1994, the final year of the original period of investigation. Table I-3, CR at I-17, PR at I-12.

³² *See* Domestic Producers' Response to Notice of Institution at 3.

share of the market. Both the volume and market penetration of nonsubject imports have increased since the time of the original investigation.³³

Based on the record evidence, we find that these conditions of competition in the U.S. glycine market are not likely to change significantly in the reasonably foreseeable future. Accordingly, we find that current conditions in the U.S. glycine market provide us with a sufficient basis upon which to assess the likely effects of revocation of the antidumping duty order within the reasonably foreseeable future.

C. Likely Volume of Subject Imports

In evaluating the likely volume of imports of subject merchandise if the order under review is revoked, the Commission is directed to consider whether the likely volume of imports would be significant either in absolute terms or relative to production or consumption in the United States.³⁴ In doing so, the Commission must consider “all relevant economic factors,” including four enumerated factors: (1) any likely increase in production capacity or existing unused production capacity in the exporting country; (2) existing inventories of the subject merchandise, or likely increases in inventories; (3) the existence of barriers to the importation of the subject merchandise into countries other than the United States; and (4) the potential for product shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.³⁵

In the original investigation, the Commission found that subject import volume and market penetration increased rapidly during the period of investigation while the U.S. producers’ market share fell.³⁶ Immediately after issuance of the order, subject imports virtually disappeared from the U.S. market. In 1999, a small amount of subject imports entered the market.³⁷ We conclude that the antidumping duty order has led to a reduced presence of subject imports in the United States.

There is limited information on the record concerning the current status of the glycine industry in China because there were no responses by foreign producers or exporters to the Commission’s notice of institution. The record does indicate that the number of producers of glycine in China has increased since the time of the original investigation.³⁸ Because there is no information in the record that indicates that the Chinese glycine producers existing at the time of the original investigation have reduced their capacity, capacity to produce glycine in China has likely increased since the time of the original investigation.³⁹

³³ In 1999, the nonsubject import quantity was 2.5 million pounds. This accounted for *** percent of apparent U.S. consumption of glycine. By contrast, during the original 1992-94 period of investigation, nonsubject import quantities ranged between 61,000 and 582,000 pounds, and nonsubject import market penetration ranged between *** and *** percent. Table I-3, CR at I-17, PR at I-12.

³⁴ 19 U.S.C. § 1675a(a)(2).

³⁵ 19 U.S.C. § 1675a(a)(2)(A)-(D).

³⁶ Original Determination, USITC Pub. 2863 at I-7, I-10.

³⁷ See CR at I-12-13, PR at I-8-9. Subject import quantity in 1999 was 29,000 pounds, accounting for *** percent of apparent U.S. consumption. Table I-3, CR at I-17, PR at I-12.

³⁸ CR at I-20-21, PR at I-14.

³⁹ Commissioner Bragg infers that, since the time of the original investigation, the new entrants to the Chinese glycine industry have added to the capacity to produce glycine in China.

In the original investigation, the Commission found that the increased capacity of the Chinese glycine industry could not be explained merely by references to increases in home market demand.⁴⁰ Given the continuing significant export-orientation of Chinese glycine producers,⁴¹ it would similarly appear that the increased capacity in China is not merely a response to increased demand in that country. Instead, we conclude that the capacity increases have increased the ability of the Chinese producers to make export shipments.

The sharp increase in subject imports during the original investigation demonstrates that the Chinese producers have the ability to rapidly increase exports to the United States. The United States is likely to be an attractive market for increasing volumes of glycine from China if the antidumping duty order is revoked for the same reason it was during the original investigation -- the United States is the world's biggest market for products made from glycine.⁴²

Based on the record in this review, it is likely that producers in China would significantly increase exports to the U.S. market if the order is revoked.⁴³ We therefore conclude that, based on the record evidence, the volume of subject imports would likely increase to a significant level upon revocation of the order.

D. Likely Price Effects of Subject Imports

In evaluating the likely price effects of subject imports if the antidumping duty order is revoked, the Commission is directed to consider whether there is likely to be significant underselling by the subject imports as compared with domestic like products and whether the subject imports are likely to enter the United States at prices that would have a significant depressing or suppressing effect on the prices of domestic like products.⁴⁴

During the original investigation, the Commission found that there was a significant likelihood the subject imports would have a depressing or suppressing effect on prices for the domestic like product. Subject import prices declined during the latter portion of the period of investigation as subject import volumes increased. Additionally, the subject imports undersold domestically-produced glycine in the vast majority of pricing comparisons.⁴⁵

The information in this review on current pricing is limited to data on average unit values (AUVs) during 1999. As previously stated, only a small amount of subject imports entered the U.S. market in 1999;

⁴⁰ Original Determination, USITC Pub. 2863 at I-10-11.

⁴¹ See Domestic Producers' Response to Notice of Institution at 5-6. Additionally, the European Union initiated an antidumping investigation on glycine from China in August 1999. See *id.* at Ex. 5.

⁴² See Original Determination, USITC Pub. 2863 at I-10.

⁴³ Commissioner Bragg infers that, upon revocation, subject producers would revert to their historical emphasis on exporting to the United States, as evidenced in the Commission's original determination. Based upon the record in this review, Commissioner Bragg finds that the historical emphasis will likely result in significant volumes of subject imports into the United States if the order is revoked.

⁴⁴ 19 U.S.C. § 1675a(a)(3). The SAA states that "[c]onsistent with its practice in investigations, in considering the likely price effects of imports in the event of revocation and termination, the Commission may rely on circumstantial, as well as direct, evidence of the adverse effects of unfairly traded imports on domestic prices." SAA at 886.

⁴⁵ Original Determination, USITC Pub. 2863 at I-11.

further, we acknowledge that AUVs can be affected by variations in product mix.⁴⁶ Nevertheless, we have used the AUV data because they constitute the sole facts available concerning current glycine pricing. These data indicate that the AUVs for the subject imports in 1999, even with the antidumping duty order in place, were below the subject import AUVs for 1994, the final year of the original period of investigation; by contrast, AUVs for domestically-produced glycine were higher in 1999 than in 1994. The subject imports' 1999 AUVs were well below the 1999 AUVs for domestically-produced glycine.⁴⁷

The pricing patterns of the subject imports both currently and during the original period of investigation indicate that, if the antidumping duty order is revoked, there is likely to be significant underselling by the subject imports to regain market share lost to both domestically-produced glycine and nonsubject imports. The original record indicated that the domestic like product and subject imports were good substitutes, and there is no information in the current record to the contrary.⁴⁸ In light of this, the importance of price in purchasing decisions for glycine, and the bargaining power of the small number of glycine purchasers, increases in subject import volumes will likely drive down glycine prices as domestic producers are forced to match the low prices offered by the subject imports. Consequently, we find that, if the antidumping duty order is revoked, the subject imports will likely have significant price-depressing or -suppressing effects.

E. Likely Impact of Subject Imports

In evaluating the likely impact of imports of subject merchandise if the order is revoked, the Commission is directed to consider all relevant economic factors that are likely to have a bearing on the state of the industry in the United States, including but not limited to: (1) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity; (2) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment; and (3) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.⁴⁹ All relevant economic factors are to be considered within the context of the business cycle and the conditions of competition that are distinctive to the industry.⁵⁰ As required by the statute, we have considered the extent

⁴⁶ Glycine is sold in two purity levels: technical and USP grade. Data from the original investigation indicate that USP grade glycine from a particular source is generally sold at a higher price than technical grade glycine from that source. Original Investigation Confidential Report, Tables 16 and 17. During the original period of investigation, the *** of domestically-produced glycine, subject imports, and nonsubject imports was USP grade. CR at I-6-7, PR at I-5. The record does not contain any data concerning the purity levels of glycine sold in the U.S. market during 1999.

⁴⁷ Compare Table I-1, CR at I-10, PR at I-7 with Table I-2, CR at I-14, PR at I-10.

⁴⁸ See Original Determination, USITC Pub. 2863 at I-11.

⁴⁹ 19 U.S.C. § 1675a(a)(4).

⁵⁰ 19 U.S.C. § 1675a(a)(4). Section 752(a)(6) of the Act states that “the Commission may consider the magnitude of the margin of dumping” in making its determination in a five-year review. 19 U.S.C. § 1675a(a)(6). The statute defines the “magnitude of the margin of dumping” to be used by the Commission in five-year reviews as “the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title.” 19 U.S.C. § 1677(35)(C)(iv). See also SAA at 887.

In the final results of its five-year review, Commerce published a likely dumping margin of 155.59 percent for all
(continued...)

to which any improvement in the state of the domestic industry is related to the antidumping duty order at issue and whether the industry is vulnerable to material injury if the order is revoked.⁵¹

In the original investigation, the Commission found that the domestic industry's market share, production, capacity utilization, employment, and financial performance declined during the final year of the period of investigation.⁵² It concluded that increased volumes of subject imports would prevent domestic producers from recovering cost increases and would exacerbate the domestic industry's declining financial performance.⁵³

The record in this review indicates that the order had a positive effect on industry performance. The domestic industry's U.S. shipments of glycine increased significantly from *** pounds in 1994 to *** pounds in 1999. Its market share increased from *** percent in 1994 to *** percent in 1999.⁵⁴ The domestic producers acknowledge that they "have been afforded some relief as a result of the order."⁵⁵ In light of the foregoing, we do not conclude that the domestic industry is currently in a vulnerable condition.⁵⁶

We find it likely that revocation of the order would result in a significant increase in the volume of subject imports at prices significantly lower than those of the domestic like product, and that such increased volumes of subject imports would likely depress or suppress the domestic industry's prices significantly. Because a reduction in glycine prices will not stimulate demand for the product, revocation would likely have a significant adverse impact on the production, shipment, sales, and revenue levels of the domestic industry.⁵⁷ This reduction in the industry's production, sales, and revenue levels would have a direct adverse impact on the industry's employment, profitability, and ability to raise capital and make and maintain necessary capital investments. Accordingly, based on the limited record in this review, we conclude that, if the antidumping duty order is revoked, subject imports would be likely to have a significant adverse impact on the domestic industry within a reasonably foreseeable time.

CONCLUSION

For the foregoing reasons, we determine that revocation of the antidumping duty order on glycine from China would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time.

⁵⁰ (...continued)

manufacturers and exporters. 65 Fed. Reg at 36406.

⁵¹ The SAA states that in assessing whether the domestic industry is vulnerable to injury if the orders are revoked, the Commission "considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they may also demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." SAA at 885.

⁵² Original Determination, USITC Pub. 2863 at I-7-8.

⁵³ Original Determination, USITC Pub. 2863 at I-12.

⁵⁴ Table I-3, CR at I-17, PR at I-12.

⁵⁵ Domestic Producers' Response to Notice of Institution at 11.

⁵⁶ Based upon the limited record in this expedited review, Commissioner Bragg determines that the domestic industry currently is not in a weakened condition as contemplated by the vulnerability criterion of the statute.

⁵⁷ Indeed, Chattem estimates that ***. Domestic Producers' Response to Notice of Institution at 8.